BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268–0001

PERIODIC REPORTING
(PROPOSAL THREE)

Docket No. RM2023-8

PETITION OF THE UNITED STATES POSTAL SERVICE FOR THE
INITIATION OF A PROCEEDING TO CONSIDER PROPOSED CHANGES
IN ANALYTICAL PRINCIPLES (PROPOSAL THREE)
(June 7, 2023)

Pursuant to 39 C.F.R. § 3050.11, the Postal Service requests that the

Commission initiate a rulemaking proceeding to consider a proposal to change

analytical principles relating to the Postal Service's periodic reports. The proposal, to

make a set of several relatively minor changes in the International Cost and Revenue

Analysis (ICRA) Report, is labeled Proposal Three and is discussed in detail in the

attached text.

<div style="text-align: right">

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

James L. Tucker
Chief Counsel, Pricing & Product Support

Eric P. Koetting

</div>

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1137
(202) 277-6333
eric.p.koetting@usps.gov
June 7, 2023

**Proposal Three: SIRVO Data by Country to Improve
International NSA Costing, Collapse Zone-Based Domestic
Transportation Costs for Outbound NSA PMI to Canada, and
Streamline the ICRA Model**

Objective:

To incorporate country-level Outbound International Negotiated Service

Agreement (NSA) SIRVO data to refine settlement and transportation expenses, to

collapse zone-based domestic transportation costs for Outbound NSA Priority Mail

International (PMI) destined to Canada, and to introduce other enhancements to update

and streamline the International Cost and Revenue Analysis (ICRA) model.

Proposal:

The proposal consists of a set of five changes to improve and streamline the

ICRA model provided in ACR folder NP2. The changes are relatively minor, because, in

total, they have a percentage impact of less than one percent. Specifically, the Postal

Service proposes the following five changes.

- (1) Use Outbound International NSA SIRVO data to attribute outbound

  settlement expenses and international transportation costs more

  accurately to international NSA products at the country-level. Currently,

  settlement and international transportation costs for NSA products are

  calculated based on average rates by pricing group. This proposal would

  apply appropriate individual country settlement and international

  transportation rates, which would eliminate the need for average pricing

  group rates. Moreover, this proposal would allow for the simplification of

the Unit_Cost_Staging tab of Reports by condensing or eliminating portions of the staging area, since settlement and international transportation costs would now be provided directly to the ICM Costing Modules. Furthermore, this proposal would eliminate the entire folder "International Costs for NSAs," including the workbooks contained within that folder, which currently are used to develop average pricing group rates. Those workbooks are no longer needed because the data by country are available.

- (2) Use the Outbound International NSA SIRVO data "Tracked" indicator to attribute settlement expenses more accurately to NSA First-Class Package International Service (FCPIS). FCPIS includes tracking remuneration for some countries, resulting in a higher per-piece settlement rate than the non-tracked per-piece settlement rate. Currently, the ICRA treats NSA FCPIS as tracked, applying the higher per-piece rates to all countries. This proposal would utilize the FCPIS "Tracked" indicator in the data to apply the appropriate FCPIS per-piece rate based on tracked or non-tracked settlement calculations.

- (3) Use Outbound International NSA SIRVO data gross weight to attribute settlement expenses, as well as domestic and international transportation costs, to outbound International NSA products. Currently, data for outbound International NSA products includes only net weights. The ICRA applies gross-to-net weight conversion factors using non-NSA product data in the Domestic Tran Calcs workbook. In the settlement

workbooks, the ICRA applies NSA overall average gross-to-net weight conversion factors (SIRVO NSA Wgt Settlement Calcs - FY22 CY1 and SIRVO NSA Wgt Settlement Calcs - FY22 CY2 workbooks). By using direct gross weight data to calculate the settlement, as well as domestic and international transportation weight-related costs, more accurate estimates of International NSA costs by Docket and Serial Number can be developed. This proposal would eliminate the additional gross-to-net conversion calculations and make the International NSA approach more consistent with the International non-NSA approach.

- (4) Continue to apply PMI zone-based domestic transportation unit costs to FY 2023 Postal Quarter (PQ)1 domestic origin zone profile data; but, once zone profile data are no longer available after FY 2023 PQ1, apply PMI average domestic transportation unit cost to calculate the domestic transportation costs for NSA PMI mail destined to Canada. Currently, PMI zone-based domestic transportation unit costs are applied to zone profile data for NSA PMI mail destined to Canada. Docket No. CP2023-42 approved collapsed zone-based prices for PMI to Canada and, consequently, domestic origin zone profile data are no longer available beginning in PQ2 of FY 2023, resulting in the corresponding zone-based unit costs having no utility. This proposal is intended to respond to the Commission's reminder in the FY 2022 Annual Compliance Determination (ACD) that the Postal Service should "identify any input data or quantification techniques that changed from the prior year," such as zone-

based input data for PMI destined to Canada, as well as to respond to related comments that the Commission included in three orders issued on March 17 and 21, 2023, which concerned certain international NSAs.[1]

- (5) Remove obsolete and/or redundant sections of the ICRA model that are no longer used, refresh nomenclature used in the ICRA model, update product labels to align with the Mail Classification Schedule (MCS), rearrange the display order of certain products in the Reports workbook, modify workbook names, transpose the display tables in the Domestic Tran Calcs workbook, and display additional cost columns in the Reports workbook. By way of this proposal, the Postal Service is giving notice of these maintenance and aesthetic changes that clarify and streamline the ICRA model.

Rationale:

As described in USPS-FY22-NP5 FY 2022 ICRA Overview/Technical Description, Part II, Chapter 4, Development of International Transportation Costs, and Chapter 5, Development of Settlement Charges, the ICRA develops estimated

---

[1] *See* FY 2022 ACD (March 29, 2023), at 86-87; PRC Order No. 6456, Order adding Priority Mail Express International, Priority Mail International, First-Class Package International Service & Commercial ePacket Contract 13 to the Competitive Product List, Docket Nos. MC2023-112 and CP2023-115, March 17, 2023, at 5-6; PRC Order No. 6457, Order adding Priority Mail Express International, Priority Mail International & First-Class Package International Service Contract 14 to the Competitive Product List, Docket Nos. MC2023-113 and CP2023-116, March 17, 2023, at 5-6; PRC Order No. 6460, Order adding International Priority Airmail, Commercial ePacket, Priority Mail Express International, Priority Mail International & First-Class Package International Service Contract 15 to the Competitive Product List, Docket Nos. MC2023-114 and CP2023-117, March 21, 2023, at 5-6.

settlement and international transportation costs for the various categories of outbound international NSA mail by using NSA activity to calculate product pricing group average rates. Docket No. RM2022-9, Proposal Three (Order 6272, September 12, 2022) allowed for more precise reporting of the Revenue, Pieces and Weight (RPW) data that are used in the ICRA. The International NSA SIRVO data include fields related to the destination-country level, an FCPIS "Tracked" indicator, and gross weights for international outbound NSA mailpieces.

The first of the proposed changes would incorporate the destination-country field in the outbound settlement process, allowing the use of actual country-level International NSA data to assign settlement rates rather than applying product average pricing group rates for International NSA attribution, and thus refining the cost estimates for outbound International NSA products. Similarly, international transportation rates would be appropriately assigned to International NSA products based on the country-level data rather than applying product average pricing group rates.

The second and third proposed changes would utilize the FCPIS "Tracked" indicator and gross weights directly from the SIRVO NSA data. The NSA FCPIS "Tracked" indicator allows for more accurate assignment of outbound settlement rates that contribute to more polished calculations of NSA costs. Additionally, the availability of International NSA gross weights would replace the current method of estimating gross weights using product-average gross-to-net weight adjustments.

The fourth proposed change is submitted in response to an FY 2022 ACD directive to identify zone-based input data that changed from the prior year and to inform the Commission of a resulting computational change. As described in USPS-

FY22-NP5 FY 2022 ICRA Overview/Technical Description, Part II, Chapter 2, Development of Domestic Transportation Costs, the ICRA develops outbound domestic transportation costs for the various categories of international mail as mail category totals for all countries combined. The Parcel Zone Cost Model, filed in the ICM Costing subfolder of USPS-FY22-NP2, contained a model that developed domestic transportation unit costs by origin ZIP Code zone for domestic Priority Mail. Each domestic Priority Mail zonal unit cost relative to the average domestic Priority Mail unit cost was used as a proxy to develop PMI zonal unit costs. These proxy zonal unit cost percentages were applied to the PMI average unit cost to develop PMI domestic transportation unit costs by zone. Thus, currently, the PMI zonal unit costs are applied to the PMI zone profile data of NSA mail destined to Canada to calculate the zone-based domestic transportation costs.

In Docket No. CP2023-42, in Order No. 6384, the Commission approved the Postal Service's proposal to collapse zoned prices based on origin ZIP Code for PMI destined to Canada into uniform rates as a single country group, which took effect on January 22, 2023.[2] Consequently, the origin zone profiles, which were previously baked into pricing codes in underlying outbound International NSA data, are no longer available as of FY2023 Postal Quarter (PQ) 2. This is because the pricing codes have been collapsed into only one code to correspond with the collapsed zoned prices. The loss of visibility of origin zone profiles results in the estimated zone-based unit costs that are developed in the ICRA no longer being useful, because there are no corresponding

---

[2] PRC Order No. 6384, Order Approving Price Adjustments for Competitive Products, Docket No. CP2023-42, December 22, 2022, at 4.

zonal weights to apply to the unit costs. Thus, the fourth proposed change utilizes the PMI average unit cost method to calculate domestic transportation costs for NSA PMI mail destined to Canada, thereby eliminating the calculation of the estimated zone-based unit costs and making the method mirror the methods used for Non-NSA and rest-of-world (ROW).

The fifth and final set of proposed changes is a collection of items which are more along the lines of housekeeping and maintenance improvements. The proposed changes include eliminating workbook tabs that are no longer used, refreshing nomenclature to align with current terminology, updating product labels to align with the MCS, modifying workbook names to avoid ambiguousness, transposing the display tables in the Domestic Tran Calcs workbook, and displaying additional cost columns on the A Pages tabs of the Reports workbook. In addition, the EMS & GXG Calcs workbook would be removed, as it was largely used to stage data for downstream calculations. These changes would streamline the model, allowing preparers to focus only on what is currently used in the model and minimizing the time reviewers might spend reviewing sections of the model that are irrelevant.

Impact:

Two non-public workbooks accompanying this proposal show the impact, and both are filed under seal as part of USPS-RM2023-8-NP1. Non-public Attachment 1 is a comparison between the Summary, Market Dominant and Competitive pages filed as part of USPS-FY22-NP2 and the Summary, Market Dominant and Competitive pages that would have been generated were this proposal in effect for FY2022. The USPS-

FY22-NP2 tabs are shown in green, the proposal tabs are shown in brown, and the differences are shown in pink.

The pink A Pages Summary Diff tab displays the impact on total Market Dominant and total Competitive products, yielding a net impact of zero on total costs. (The difference of 1 is the result of rounding.) The following pages display the detailed impacts on Market Dominant products and Competitive products.

Non-public Attachment 2 is a comparison between the International NSA summary results filed as part of the NSA Summary workbook under USPS-FY22-NP2 ICM Costing and the International NSA summary results for FY2022 that would have been generated were this proposal in effect for FY 2022. The USPS-FY22-NP2 amounts are shown on the second tab, the proposal amounts are shown on the third tab and the differences are shown on the first tab. The change in Total Volume Variable and Product Specific Cost on the Summary Differences tab of Attachment 2 reflect the International NSA differences on the pink A Pages Summary Diff tab of Attachment 1.

For FY 2022, the proposal would not have caused any positive contribution products to turn negative or any negative products to turn positive. There would have been no impact on Inbound International NSAs, all positive contribution Outbound International NSAs would have remained positive, and all negative contribution Outbound International NSAs would have remained negative.

Mechanics:

The mechanics to implement this proposal are arranged into five general categories:

1. Changes related to adding country-level detail calculations for outbound NSA products and eliminating the need for pricing group aggregations and supporting calculations,

2. Changes related to including the outbound NSA FCPIS "Tracked" indicator,

3. Changes related to incorporating the outbound NSA gross weight and eliminating the need for the gross-to-net conversions,

4. Changes related to calculating the domestic transportation costs for NSA PMI mail destined to Canada and eliminating the calculation of zone-based domestic transportation unit costs, and

5. The maintenance and aesthetic changes that clarify and streamline the model.

As for the first category, adding country-level data for outbound NSA products eliminates the need for average settlement rates by pricing group. In addition, there were numerous related calculations that were needed to develop average settlement rates by pricing groups, which would be eliminated. A more refined approach to developing settlement and international transportation costs is now available by linking country-level data to respective rates in the Settlement Workbooks and Outbound Calcs.

Concerning the second and third categories, the application of the NSA FCPIS "Tracked" Indicator allows for appropriate settlement rates to be applied, and the use of NSA gross weights eliminates the need for product-average gross-to-net conversion factors.

Moreover, as for the fourth category, the lack of domestic origin zone profile data eliminates the utility of zone-based domestic transportation unit costs. The proposed change allows the method to calculate domestic transportation costs for NSA PMI mail destined to Canada to align with the method used for all other PMI mail.

Furthermore, concerning the fifth category, the maintenance and housekeeping changes would improve the clarity and streamline the ICRA model. Many of the cells and calculations that would be eliminated are remnants of calculations that are no longer used. Nomenclature would be updated to align with current terminology, and product labels would be revised to align with the MCS. Also, file names would be modified to reflect fiscal year and avoid ambiguity. The display tables would be transposed in the Domestic Tran Calcs workbook to correspond to the CS-14 workbook layout. Additionally, the Reports workbook would include a new column on the A Pages tabs that would display total attributable costs, which sum volume variable and product specific costs, and the display order of certain products would be rearranged on A Pages and B Pages tabs. These changes would not alter the analytical methods applied in the model, but rather are changes in quantification techniques. The Postal Service is using this proposal to notify the Commission and other interested parties in advance of implementation in the FY 2023 ACR.

As mentioned previously, included in this filing under seal as part of USPS-RM2023-8-NP1 is a set of revised versions of the USPS-FY22-NP2 files that the Postal Service filed with the Commission in Docket No. ACR2022.

I.   International NSA Country-Level Data used for Settlement and International
     Transportation Costs and Elimination of the Need for Pricing Group
     Aggregations and Supporting Calculations

Outbound International NSA data used in the ICRA do not include country-level
detail; Outbound International NSA data are reported by pricing group only. The ICRA
calculates outbound settlement and international expenses by aggregating rates using a
weighted average for each price group. The approval of Docket No. RM2022-9,
Proposal Three, provides more granularity, including NSA country-level detail, in the
underlying report data used in the ICRA. This proposal would incorporate the ISO code
in the data to apply country-specific rates for settlement and international transportation
cost calculations rather than weighted average rates. This would increase the accuracy
in developing settlement and international transportation expenses for the ICM Costing
Modules by applying appropriate rates based on the country, thus resulting in more
accurate settlement and international transportation costs by country and docket.

The proposed changes would add ISO code and country name to the data tab
and add three new tabs in the ICM Costing Modules: MR, MROffsets, and PCP. The
MR tab stands for Merged Rates, and in that tab, the country-level settlement and
benchmarked international transportation rates that are used in the data tab would be
organized and calculated. Settlement rates beginning in column G would be linked
directly to the respective Settlement Workbook. International transportation country-
level cost data would be linked directly to Outbound Calcs and staged at row 258, and
the benchmarked results would be transferred to the columns beginning at column AL.
There are some flows in the NSA data that occur for countries not directly listed in the
Settlement Workbook or Outbound Calcs tables, and proxy rates would be selected for

both settlements and international transportation based on proximity. The MROffsets tab, which incorporates named ranges and links to the appropriate calendar year US Dollar-to-SDR conversion rates, is needed for the lookup function in the data tab. The PCP tab would be added to compute the PC Postage mailer rebates at country-level detail, which would become part of the product-specific costs and would be displayed directly on the data tab under a new column labeled "PCP Payment." This would eliminate the need for the unadjusted revenue column and allow the "Adjusted Revenue" column to be renamed "Revenue" for simplicity.

Additionally, the ICRA_UnitCosts_Pivot tab would be pared down to domestic costs only for Canada and ROW. The data tab would replace prior calculations for international costs – settlements, international transportation, and conveyance charges with country-specific data.

With the refinement of reporting by country instead of pricing group, the average costs by pricing group would no longer be needed. Thus, the entire folder "International Costs for NSAs," and the workbooks, SIRVO NSA Wgt Settlement Calcs – FY22 CY1 and CY2, which develop pricing group average costs, would no be longer used, and would be eliminated. The SIRVO NSA Data Wgt – FY22 workbook would also be eliminated since country-level data for NSAs are now being employed. These three workbooks would no longer be generated for the ICRA.

Furthermore, the Unit_Cost_Staging tab of the Reports workbook would be adjusted to provide domestic costs only, since all international costs are linked to the ICM Costing Modules directly. The Country Masterlist tab of the Inputs workbook would be reduced to eliminate many of the product price group columns that are no longer

required. Along with this reduction, the Country Global Variables tab would be adjusted to reflect current concepts "offsets."

      II.   <u>NSA FCPIS "Tracked" Indicator used for Settlement Expenses</u>

Outbound FCPIS tracking renumeration is included for some countries in settlement costs. However, currently, data used in the ICRA do not distinguish between tracked and un-tracked NSA FCPIS. Therefore, the ICRA applies a higher tracked per-piece settlement rate to all countries to calculate NSA FCPIS settlement expenses. The approval of Docket No. RM2022-9, Proposal Three, provides more granularity, including a "Tracked" indicator for FCPIS, in the underlying report data used in the ICRA. This proposal would incorporate that "Tracked" indicator by applying the higher tracked per-piece settlement rate to only countries that include FCPIS tracking renumeration in settlements. The proposed change would include a flag for tracking of FCPIS mail and connect appropriate settlement rates for both tracked and untracked FCPIS mail on the data tab of the ICM Costing Modules. This would increase the accuracy in developing settlement expenses for the ICM Costing Modules, by applying appropriate per-piece FCPIS settlement rates based on the "Tracked" indicator, thus resulting in reduced NSA FCPIS settlement costs in some countries and dockets. Furthermore, the tab, PRIME_Enhanced_Payments, of Inputs workbook, would now make use of the "Tracked" indicator for Retail and Commercial FCPIS, whereas it previously had used all Subclass UX mail as an approximation.

III.   International NSA Gross Weights used for Settlement Expenses and
Domestic and International Transportation Costs

Outbound International NSA data used in the ICRA previously had net weight
only that required a product-average gross-to-net weight adjustment to estimate the
International NSA product gross weights for use in calculating the outbound settlement
expenses and domestic and international transportation costs. The approval of Docket
No. RM2022-9, Proposal Three, provides for more granularity and the inclusion of NSA
gross weight in the underlying report data used in the ICRA. This proposal would
incorporate the gross weights for outbound International NSA products from SIRVO
data and make the International NSA approach consistent with the non-NSA approach.
This would increase the accuracy in developing weight-related settlement expenses and
domestic and international transportation costs for the ICM Costing Modules by not
relying on an estimated International NSA gross weight, thus resulting in refined and
improved calculations of International NSA costs.

The proposed change would display gross pounds on the "data" tab of the ICM
Costing Modules. Additionally, the formulas in columns AH, AL, and AT would be
updated to reflect the per-gross pound rate and link to the corresponding gross weight,
rather than reflecting the per-net pound rate and net weight. Data from the ICM Costing
Modules would be transferred to the Pivot5 tab of the Reports workbook which now also
includes gross and net weights. An additional benefit of this change would be that
outbound International NSAs no longer display equal gross and net weights on A Pages
Summary, A Pages, and B Pages tabs of the Reports workbook. Gross weight for
PMEI is now also reported in SIRVO data and this allows for different gross and net
weight reporting for PMEI in the Reports workbook. The pivot table at cell S447 on the

Pivot5 tab of Reports, which transfers International NSA weights to Outbound Calcs, would now display gross weights rather than net weights. The International NSA gross weights would be directly linked to the data in column I rows 37 to 45 of the "annual" tab of Domestic Tran Calcs workbook. Finally, the PSDS ISCDS workbook would include columns displaying the gross weights, thus refining and improving the entry-level cost savings affecting ICM EntryLevelDiscountFactors and ISC Dropship Model workbooks, which would also be updated for the addition of gross NSA weights.

    IV.   <u>Collapse Zone-Based Domestic Transportation Costs for NSA PMI Mail Destined to Canada</u>

The current method for calculating zone-based domestic transportation costs for PMI destined to Canada would not be changed for calendar years where zone profile data are available. The current method involves four steps. First, the average PMI domestic transportation unit cost is calculated by dividing the summed air, highway, and rail transportation benchmarked costs for PMI by the sum of the NSA PMI non-Presort/non-ISC Dropship and Non-NSA PMI gross weight. Second, this average unit cost is then converted to calendar year unit cost per total net pound by applying the corresponding calendar year gross-to-net conversion ratio. Third, the domestic Priority Mail zonal cost percentages, which are used as a proxy for PMI, are applied to the PMI calendar year unit cost per total net pound to calculate the unit costs by zone. Fourth, these unit costs by zone are applied to the net weights for NSA PMI mail destined to Canada, incorporating Presort and ISC Dropship discounts, to derive the zone-based domestic transportation costs.

The proposed method would eliminate the need for step two since the PMI gross weight is now available in the SIRVO NSA data. Also, beginning in FY 2023 PQ2, the

third and fourth steps would no longer be performed since the zone profile data are no longer available. Instead, the average PMI domestic transportation unit cost, calculated in step one above, would be applied to the corresponding gross weights for NSA PMI mail destined to Canada, incorporating Presort and ISC Dropship discounts. This proposed method would parallel the method that is used for calculating domestic transportation costs for NSA PMI mail destined to rest-of-world.

V.   Housekeeping and Maintenance Changes to Streamline the ICRA Model

The list below identifies product labels that would be revised to align with the MCS.

- Inbound Single-Piece First-Class Mail would be changed to Inbound Letter Post (Letters and Flats)

- Inbound Parcel Post would be changed to Inbound Parcel Post (at UPU rates)

- International Surface Airlift (ISAL) would be changed to International Surface Air Lift (ISAL)

- International Direct Sacks – M-Bags would be changed to International Direct Sacks – Airmail M-Bags

- First Class Packet International Service would be changed to Outbound Single-Piece First-Class Package International Service

File names in the ICRA would be modified to reflect fiscal year, and the NSA Summary workbook would be renamed to International NSA Summary for clarity. The display tables would be transposed in the Domestic Tran Calcs workbook to align with

the CS-14 workbook layout. The list below, which is organized by workbook, identifies several tabs and columns in various workbooks that are no longer being actively used and would be eliminated. Additionally, the list below identifies updates to nomenclature to align with current terminology, as well as rearrangements of the order of products and new cost columns that are displayed in the Reports workbook.

EMS & GXG Calcs.xlsx

- This entire workbook would be eliminated. Many of the calculations involved reformatting and staging of data from Inputs and are no longer required or are now streamlined in Inbound Calcs or Outbound Calcs.

- The Inbound EMS data would now be transferred directly to Inbound Calcs workbook on the EMS tab.

- The Outbound PMEI data would now be transferred to Outbound Calcs in the newly added pmei tab which collapses data and staging from the consolidated ob, ob settlements and ob staging tabs.

- The GXG data would now be directly reflected on the Final RPW tab of Outbound Calcs.

Inputs.xlsm

- Would delete EMS Outbound RPW and EMS Targets from RPW tabs that previously developed average revenue by country, since these data now come directly from SIRVO.

- Columns from prior International product offerings that have since become unused would be deleted from the following tabs: RPW Revenue, RPW Volume, RPW Net Weight, and RPW Gross Weight.

Additionally, the corresponding unused columns in the four related

SIRVO files (SIRVO_RevenueUSD, SIRVO_Pieces,

SIRVO_GrossLbs, and SIRVO_NetLbs) would also be deleted.

- PRIME_Enhanced_Payments tab would be streamlined to eliminate

  columns and data staging that are no longer required for the

  calculations. Unneeded columns would be deleted and some of the

  remaining tables would be shifted for improved legibility. Additionally,

  the "Tracked" indicator from SIRVO would now be used to filter the

  data.

Reports.xlsm

- Intermediate and ICRA Database tabs would have obsolete columns

  removed to clarify and streamline the model.

- UPU Designation would be changed from IC_excl_Canada to Rest-Of-

  World (ROW), which would affect pivot tables throughout the model

  and change the inbound unit cost labels on CRA Staging tab.

- Blank and hidden rows on the A Pages and B Pages tabs would be

  removed.

- Kahala Group Results tab would be deleted since data is available on

  the ICRA Database tab.

- Total Attributable Costs, which would sum the volume variable and

  product specific costs, would now be displayed on the A Pages tabs.

- Total Priority Mail International summation, which erroneously summed Inbound Parcel Post (at UPU Rates) and Outbound PMI on row 33 of A Pages Summary, row 20 of A Pages (c), and row 20 of B Pages (c), would be removed.

- Inbound Parcel Post (at UPU Rates) would be rearranged, so that it is below Inbound Letter Post Small Packets and Bulky Letters and included in Subtotal International summation.

- Outbound PMI would be rearranged, so that it is below Outbound Single-Piece First-Class Package International Service and included in Subtotal International summation.

Domestic Trans Calcs.xlsm

- Tab wcuf, would add extended row labels in column C and shift the staging of gross weight and cubic volume calculations to the right of the summary transfer table.

- All other tabs, the data and calculations would be transposed by interchanging rows and columns. Cost pools would be reported in columns and products in rows. On the annual tab, previous rows 41 through 44, which were redundant and potentially confusing, would be removed before the transposing of the rest of the calculations.

Inbound Calcs.xlsm

- Unused columns I and N from KG tab would be removed.

- Unused columns I, L, and N from VOL tab would be removed.

Outbound Calcs.xlsm

- Country group nomenclature would change from industrialized and developing countries (IC or DC) to Rest-Of-World (ROW).

- Blank and hidden legacy rows would be removed from trnadj tab.

- Blank columns would be removed from tdu1p, tdu2p, tdu1w and tdu2w tabs. In addition, the calculations for Canada would be incorporated directly in the cells rather than staged off the upper right of these tabs.

- Scaling of PMEI revenue, piece and weight data would no longer be necessary, and the corresponding calculations starting in cell W1 and columns T and U on the Final RPW tab would be removed.

- The acp tab would be deleted since average rates for SIRVO country groups (99x) are no longer needed.